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Iran/Contra Affair

CIA Aide Points to a Hands-on Role by Casey

Fresh details about the CIA's role in the Iran-contra affair have provided more evidence pointing to the active involvement of the late CIA Director William J. Casey.

Casey's participation in the Iran-contra scandal undoubtedly will receive considerable attention over the next several weeks as the House and Senate select committees write a report wrapping up their inquiry into the Iran-contra arms dealings. The report's release is expected in October.

The former CIA director died in May without giving a full account of his role in the Reagan administration's secret program of selling arms to Iran and providing weapons and cash to the Nicaraguan contras.

But evidence uncovered during 12 weeks of public hearings, and closed-door testimony by a key CIA official released Aug. 19, has portrayed Casey as a leading architect of several aspects of the Iran-contra affair.

Additional details about the CIA's role in the scandal are expected when the committees release declassified transcripts of testimony given by two other CIA officials. They are Clair George, deputy director for operations, and Alan D. Fiers, the Central American task force chief.

Duane ("Dewey") Clarridge, head of the CIA's counterterrorism section, told the congressional committees that Casey wanted the CIA to run the entire Iranian arms-for-hostages operation rather than turn it over to the National Security Council (NSC) inside the White House.

The CIA provided logistical support for much of the operation, but the program itself was controlled most directly by Rear Adm. John M. Poin Dexter, President Reagan's former national security adviser, and Lt. Col. Oliver L. North, a former NSC aide.

"I am not saying that North himself didn't want to hang onto it," Clarridge told committee members during his Aug. 4 testimony. "The director [Casey], certainly his intention and his wish was that the agency run the whole thing." (*Wrap-up of hear-*

ings, Weekly Report p. 1771)

But Clarridge said no other senior CIA officials agreed with Casey because they mistrusted Manucher Ghorbanifar, an Iranian arms merchant who was serving as a middleman between U.S. and Iranian officials.

"I cannot say that they didn't want to be involved at all," said Clarridge, referring to other CIA officials. "What I am saying is they did not want to run the operation, the Ghorbanifar piece of the operation."

The reluctance of senior CIA officials to assume a more active role in the Iran initiative might suggest why Casey relied so heavily on North to run the arms-for-hostages operation. Clarridge described North and Casey as "admirers of each other."

During his testimony in July, North said that it was Casey who envisioned a private network of covert operatives to run a variety of secret missions on behalf of the U.S. government. (*Weekly Report pp. 1500, 1562*)

Clarridge told the committees that he never discussed such a plan with Casey or North. But he said he thought that Casey might have found the idea "appealing" because Casey favored a heavier role for the "private sector" in intelligence activities.

"In his view, it wasn't used enough. We didn't take advantage of it not only in intelligence terms, but in

other terms perhaps," said Clarridge. "So I can conceive of his having at least speculated about the idea with Mr. North. I can't prove he did."

Clarridge also warned that limiting the president's authority to conduct covert actions could lead to an increase in "private enterprises" handling their own secret activities. "It is very clear that there are people as individuals and governments and groups who feel strongly enough about issues that they are prepared to put their money where their mouth is, and I think if we are not careful, we are going to see a lot more of this," he testified.

Denies Knowing of Arms

In other parts of his testimony, Clarridge denied knowing that Hawk anti-aircraft missiles were being shipped from Israel to Iran in November 1985, despite his active participation in the U.S.-assisted effort.

The committees have focused on the weapons shipment because the CIA may have acted illegally by helping to move the missiles from Tel Aviv to Tehran. At the time, Reagan had not signed a presidential finding to authorize the CIA's secret role.

According to evidence obtained during the congressional inquiry, Reagan signed a finding on Dec. 5, 1985, that retroactively gave the CIA permission to help in the November ship-

Walsh Wins Rounds on Records, Role

The independent counsel investigating the Iran-contra affair, Lawrence E. Walsh, got good news on two fronts Aug. 20: The Swiss Supreme Court ordered the release of secret bank records crucial to his inquiry, and a U.S. appellate court in Washington upheld Walsh's backup appointment as a Justice Department investigator.

The Swiss ruling should enable Walsh to trace the flow of nearly \$40 million to and from bank accounts controlled by retired Maj. Gen. Richard V. Secord and Albert Hakim, key Iran-contra operatives.

The ruling in Washington ensures that Walsh can continue to investigate under the aegis of the Justice Department even while the courts consider a constitutional challenge that another central Iran-contra figure, Lt. Col. Oliver L. North, has raised to the statute providing for independent counsels. The U.S. District Court of Appeals also ordered North to comply with a grand jury subpoena for a sample of his handwriting.

—By Steven Pressman

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ment. Poindexter testified that he destroyed the document nearly a year later because it might have caused political embarrassment. (*Weekly Report* p. 1556)

The finding described the Iran initiative at the time as strictly an arms-for-hostages deal, which contradicted Reagan's later assertions that he had broader policy objectives in mind when he approved the sale of weapons.

Clarridge was the CIA's chief of the European division at the time of the Hawk shipment. On Nov. 21, 1985, North asked him to sort out a problem that arose when Portugal refused to give landing clearances to an airplane carrying the missiles from Israel.

Clarridge, in turn, sent a cable to the CIA station chief in Lisbon instructing him to "pull out all stops" in getting permission for the flight to land. But Clarridge testified that he thought the plane carried oil-drilling parts rather than weapons. He said he does not remember when he learned that missiles were being shipped.

He said he might have learned about the Hawks later in November, and that he did not find out officially until the following January.

Conflicts in Testimony

Clarridge's testimony is at odds with the account given to the panels previously by the unidentified CIA station chief in Portugal. That official testified that he sent a cable to Clarridge Nov. 23, telling him that the flight contained Hawk missiles. The station chief had learned that from retired Air Force Maj. Gen. Richard V. Secord, who was sent to Portugal by North to work out the missile shipment to Iran.

But Clarridge said he does not remember seeing the station chief's cable, and CIA officials have not found a copy in agency files. The station chief told the committees that he destroyed his copies of the cables to Clarridge as a routine precaution in December 1985.

Neil Eggleston, deputy counsel of the House panel, said there is "fairly convincing evidence" that the cable mentioning weapons was sent to Clarridge. In addition to the testimony from the CIA station chief in Portugal, the committees also have a deposition from a CIA dispatcher who remembers seeing a cable that mentioned Hawk missiles and Iran.

A second crucial cable also is missing. That is one sent by Clarridge to the station chief in Portugal telling him the reason for helping Secord.

... Eggleston reminded Clarridge that both North, who asked for Clarridge's help, and the CIA station chief, whom Clarridge ordered to assist in the operation, knew that weapons were aboard the flight.

"The person who gave you the problem knew. The person you gave the problem to solve knew. But you did not know?" asked Eggleston.

"That is the way it was," replied Clarridge.

Frantic efforts to route the Hawks through Portugal failed after Portuguese officials demanded a formal diplomatic note from the United States that would say arms were being shipped to Iran in exchange for U.S. hostages held in Lebanon.

Eventually, the missiles were sent through another route after Clarridge asked CIA officers stationed elsewhere to assist in the delivery.

In response to several other questions from Eggleston, Clarridge said he could not recall various conversations with North ostensibly dealing with the Hawk shipment.

Clarridge's memory lapses later prompted a skeptical retort from William S. Cohen, R-Maine, a member of the Senate panel. "On practically every single major event that we have been considering, you have virtually no memory at all and that whenever a question is directed toward you, you indicate, 'Well, it may be. I just can't recall.'" Clarridge did not respond to Cohen's complaint.

South Africa and Contra Aid

During his appearance, Clarridge also was examined closely about an apparent effort by the United States to obtain secret assistance for the contras from South Africa in 1984.

The White House and the CIA at the time were trying to locate alternative funding sources for the Nicaraguan rebels in the face of a funding cutoff voted by the Congress.

In an earlier deposition given to the committees, Clarridge denied that he had any involvement in trying to arrange some kind of assistance from South Africa. He altered his position during his testimony, however, after reviewing a series of cables among CIA officials in early 1984 dealing with South Africa's potential offer.

"My reading of that cable traffic is that at least the [CIA] thought something was being offered," said Clarridge.

In a heavily censored transcript of Clarridge's Aug. 4 testimony, all refer-



William J. Casey: the late director wanted the CIA to "run the whole thing," a key agency official testified.

ences to South Africa were deleted.

Eggleston pressed Clarridge on the CIA's seemingly energetic efforts to obtain some kind of aid for the contras from South Africa. But Clarridge tried to play down the issue, saying there was a "misunderstanding within our building" about what the Pretoria government actually was offering.

He said South African officials expected to be paid for their assistance to the contras, and were also discussing another option, some kind of bilateral aid to an unidentified country in Central America.

Clarridge took a trip to South Africa in April 1984, but he said Casey had already decided not to accept any kind of offer. "Before I ever went out to [South Africa] it was very clear that [aid to the contras] isn't what they were talking about. And when I got out there, that became patently clear," said Clarridge.

Even after Clarridge's trip, however, the CIA still seemed to be interested in pursuing the South Africa angle. But the talk died down after members of Congress reacted bitterly in the spring of 1984 to revelations that the CIA had mined Nicaraguan harbors. (1984 *Almanac* p. 88)

"Current furor here over the Nicaraguan project urges that we postpone taking [South African officials] up on their offer of assistance," Clarridge said in a CIA cable written on May 11, 1984.

Asked about the cable, Clarridge testified that "assistance" meant the bilateral aid to a Central American country contemplated by South Africa rather than direct aid to the contras. ■